



2010

FAIR LABOR ASSOCIATION INDEPENDENT EXTERNAL MONITORING REPORT

COMPANY: Hanesbrands, Inc.

COUNTRY: Italy

FACTORY CODE: 7200361029

MONITOR: Alpay Celikel

AUDIT DATE: May 27, 2010

PRODUCTS: Stockings

PROCESSES: Weaving, Dyeing, Ironing,
Packing

NUMBER OF WORKERS: 47

FLA Comment: This report was submitted with a corresponding corrective action plan to the FLA and was reviewed by FLA staff. In an effort to improve the effectiveness of remediation, the FLA has provided feedback and recommendations to the company, however the recommendations have not been agreed or incorporated by the company. The report is posted in its current state and is considered finalized. Updates on the progress of the corrective action will be posted when received by the company.



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Freedom of Association: Grievance Procedure

FOA.26 Employer shall have in place written grievance procedures that allow first an attempt to settle grievances directly between the worker and the immediate supervisor but that, where this is inappropriate or has failed, it is possible for the worker to have the grievance considered at one or more steps, depending on the nature of the grievance and the structure and size of the enterprise. Employers shall ensure that the grievance procedures and applicable rules are known to workers. (P)

Noncompliance

Explanation: There is no written grievance procedure in place to address complaint needs of workers with active participation of elected worker representatives. Also the complaint boxes shall be available in the work floor.

Plan Of Action: Hbl will assist the factory in the process of establishing a reliable grievance procedure. We will ask for records of follow-ups on employees claims received through meetings and through suggestion boxes. This will be an item to be verified on every Hbl social compliance audits and visits.

Deadline Date: 08/27/2010

Supplier CAP: Suggestion Boxes will be installed.

Supplier CAP Date: 09/30/2010

Action Taken: A grievance procedure is in place. There are suggestion boxes in the plant.

Plan Complete: Yes

Plan Complete Date:

Code Awareness:

GEN.1 Establish and articulate clear, written workplace standards. Formally convey those standards to Company factories as well as to licensees, contractors and suppliers.

Noncompliance

Explanation: The Hanesbrands Code of Conduct is missing. No text was posted or otherwise any document conveying the principles of Hanesbrands observed in the factory. This is based on information gathered from management interview and visual observations in the factory.

Plan Of Action: will send a new copy of the code of conduct in Italian and will verify through the social compliance audit that the code is always posted

Deadline Date: 07/30/2010

Supplier CAP: This has been received, dealt with workers and exposed.

Supplier CAP Date: 11/06/2010

Action Taken: HBI Global Standard for Supplier was send to the factory and has been posted inside the plant.

Plan Complete: Yes

Plan Complete Date:

Code Awareness:

GEN.2 Ensure that all Company factories as well as contractors and suppliers inform their employees about the workplace standards orally and through the posting of standards in a prominent place (in the local languages spoken by employees and managers) and undertake other efforts to educate employees about the standards on a regular basis.

Noncompliance

Explanation: It was observed that workers were unaware of the company's workplace standards. There was no training session held by the company or factory management to help raise the awareness of workers.

Plan Of Action: Hbl will verify the knowledge employees have on the code through employee interviews during our regular audits. This will be an item to be verified on every Hbl social compliance audits and visits to the factory.

Deadline Date: 09/24/2010

Supplier CAP: This has been received, dealt with workers and exposed.

Supplier CAP Date: 11/06/2010

Action Taken: Trainings were given to employees to raise awareness on the supplier standards.

Plan Complete: Yes

Plan Complete Date:

Code Awareness:

GEN.3 Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable Company employees and employees of contractors and suppliers to report to the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.

Noncompliance

Explanation: There is no established complaint channel between workers and FLA member company.

Plan Of Action: HBI will work with the factory to assist in the establishment of a secure and reliable communication channel that employees can trust. In conjunction with the grievance procedure we will ask for records of follow up on employee complains made through this channel. This will also be an item to be verified on every HBI social compliance audits and visits.

Deadline Date: 09/24/2010

Supplier CAP: We will wait for your suggestions

Supplier CAP Date: 08/04/2010

Action Taken:

Plan Complete: No

Plan Complete Date:

Health and Safety: General Compliance Health and Safety

H&S.1 Employers shall comply with all local laws, regulations and procedures concerning health and safety. (S)

Noncompliance

Explanation: The dyeing department pavement does not appear safe. The surface is uneven due to missing tiles, this creates the risk of tripping and slipping. (Decreto Legislativo 81/2008 Titolo II)

Slippery pavement signs are also missing. (Decreto Legislativo 81/2008 Titolo V)

Chemical and noise evaluations are not up to date for the dyeing department (Decreto Legislativo 81/2008 Titolo IX)

Annual H&S meeting with the H&S Committee are not regularly conducted. The last meeting was conducted on December 2008 (Decreto Legislativo 81/2008 Section III art. 35).

Plan Of Action: Hbl will verify through it's social compliance audit program that all unsafe conditions are addressed and maintain. We'll follow-up through documents revision that the safety committee meets according to the applicable legislation.

Deadline Date: 09/24/2010

Supplier CAP: The dyeing department's pavement is continuously checked and repaired. Tiles become damaged due to passage of trolleys. Slippery pavement signs are exposed. Chemical and noise evaluations for the dyeing dept. will be addressed within end of the year. Annual H&S meetings will be held within end of the year.

Supplier CAP Date: 12/31/2010

Action Taken: Through documentation it has been verified that H&S is meeting and unsafe conditions are being raised and attended.

Plan Complete: Yes

Plan Complete Date:

Health and Safety: Evacuation Requirements and Procedure

H&S.9 All applicable legally required or recommended elements of safe evacuation (such as posting of evacuation plans, the installation and maintenance of an employee alarm and emergency lighting systems, ensuring aisles/exits are not blocked and that workers are not blocked within their workstations, employee education, evacuation procedures, etc.) shall be complied with. Workers shall be trained in evacuation procedures. Alarm systems shall be regularly tested and evacuation drills shall be undertaken at least annually. (S)

Noncompliance

Explanation: Evacuation plot plan is not posted in the dyeing department

(Decreto Ministeriale Decreto Ministeriale 10 1998 Attachment VII 7.5)

Evacuation paths indicating the way to the closest emergency exit are not marked in the dyeing department (Decreto Legislativo 81/2008 Attachment IV)

Plan Of Action: The facility just moved to a new building when the audit was completed, but again Hbl will make sure through it's auditing tools that the plans are posted and that are kept updated as well as that all emergency routes are well painted and defined.



**Deadline
Date:** 09/24/2010

**Supplier
CAP:** Evacuation plot plan has been posted in the dyeing department as well as emergency exits.

**Supplier
CAP Date:** 08/04/2010

**Action
Taken:** Evacuation plan has been posted in visible places inside the factory.

**Plan
Complete:** Yes

**Plan
Complete
Date:**

Health and Safety: Personal Protective Equipment

H&S.11 Workers shall be provided with effective and all necessary personal protective equipment (such as gloves, eye protection, hearing protection, respiratory protection, etc.) to prevent unsafe exposure (such as inhalation or contact with solvent vapors, noise, dust, etc.) to health and safety hazards, including medical waste. (S)

Noncompliance

Explanation: PPE in form protective gloves, clothes and masks are not provided to employees working in the dyeing department as per Chemical Evaluation requirements. In addition PPE signs indicating the importance of wearing protective shoes are not posted.

(Decreto Legislativo 81/2008 Attachment VIII)

Plan Of Action: This, as all health and safety items, will be monitored through Hbl's social compliance auditing program. The monitoring program includes a health and safety module that is complemented with a walkthrough to address all these issues.

Deadline Date: 09/24/2010

Supplier CAP: PPE in form of protective gloves, masks and glasses have been provided. Clothes will be provided within end of the year. PPE signs indicating the importance of wearing protective shoes have been posted.

Supplier CAP Date: 12/31/2010

Action Taken: Employees are receiving their PPE when requested and needed.

Plan Complete: Yes

Plan Complete Date:

Health and Safety: Chemical Management and Training

H&S.13 All chemicals and hazardous substances shall be properly labeled and stored in accordance with applicable laws. Labels shall be placed in the local language and the language(s) spoken by workers, if different from the local language. Workers shall receive training, appropriate to their job responsibilities, concerning the hazards, risks and the safe use of chemicals and other hazardous substances. (S)

Noncompliance

Explanation: Chemicals have been found on the work floor. There is no storage for chemicals. A chemical storage area shall be available for reactivity and fire safety of chemicals. (Decreto Legislativo 81/2008 Titolo IX)

Plan Of Action: This, as all health and safety items, will be monitored through Hbl's social compliance auditing program. The monitoring program includes a health and safety module that is complemented with a walkthrough to address al this issues.

Deadline Date: 09/24/2010

Supplier CAP: The chemical storage area will be created by the end of the year.

Supplier CAP Date: 12/31/2010

Action Taken: Chemicals are stored in the chemical area.

Plan Complete: Yes

Plan Complete Date:
